

Enrolled
Senate Bill 954

Sponsored by Senator DECKERT; Senators AVAKIAN, BURDICK, DEVLIN, L GEORGE, JOHNSON, STARR, Representatives BARKER, BONAMICI, BRUUN, FLORES, GALIZIO, MACPHERSON, READ (at the request of Washington County)

CHAPTER

AN ACT

Relating to taxation; and appropriating money.

Be It Enacted by the People of the State of Oregon:

SECTION 1. Section 2 of this 2007 Act is added to and made a part of ORS 285C.600 to 285C.626.

SECTION 2. (1) On or before April 1 following each tax year that property is exempt under ORS 307.123, the business firm that owns or leases the exempt property shall submit a report to the Economic and Community Development Department, in addition to any other reporting or filing requirement.

(2) The report shall be in a form prescribed by the department and shall include:

(a) The assessed value and location of taxable and exempt property constituting the eligible project and the corresponding payment and savings of property taxes for the tax year, as ascertained from the county assessor;

(b) The amount and disposition of fees and other amounts paid by the business firm pursuant to the agreement with the county under ORS 285C.609 in the immediately preceding calendar year;

(c) The average number of persons hired or employed by the business firm in association with the eligible project, determined by dividing the total number of hours for which such hired or employed persons were paid during the immediate prior calendar year by 2,080;

(d) The annual amount of taxable income and total compensation paid to employees as described in paragraph (c) of this subsection;

(e) Numbers and amounts as described in paragraphs (c) and (d) of this subsection for jobs retained in direct relation to the eligible project; and

(f) Any other information required by the department.

(3) If a business firm fails to provide a report required under this section or to verify information as requested by the department, the Oregon Economic and Community Development Commission, upon recommendation by the department, may suspend the determination of the commission that the project receive the tax exemption provided for in ORS 307.123. If the commission suspends the determination of eligibility under this subsection, the exemption is revoked as provided in ORS 307.123 (6), until the department receives the report. Upon receipt of a report required under this section or the information requested by the department, the department shall notify the commission and the commission shall rescind the suspension.

(4) Information collected under this section may be used by the department to make aggregate figures and analyses of activity under the strategic investment program publicly available.

(5) Specific data concerning the financial performance of individual firms collected under this section is exempt from public disclosure under ORS chapter 192.

(6) Within 60 days of receiving the reports required under this section, the department shall compile and organize the reported information for purposes of section 3 of this 2007 Act and transmit it to the Oregon Department of Administrative Services.

(7) The department shall adopt rules the department considers necessary to administer ORS 285C.600 to 285C.626.

SECTION 3. (1) Upon receipt of information compiled under section 2 of this 2007 Act, the Oregon Department of Administrative Services shall determine the annual amount of personal income tax revenue attributable to each eligible project for which an eligible business firm received a property tax exemption under ORS 307.123.

(2) In determining the amount of personal income tax revenue attributable to each eligible project, the department may rely on reasonable techniques of estimation, if appropriate.

(3) In each fiscal year, the department shall transfer 50 percent of the cumulative amount for all eligible projects determined under subsection (1) of this section to the Shared Services Fund established in section 4 of this 2007 Act.

(4) The department shall adopt rules necessary to administer this section.

SECTION 4. (1) The Shared Services Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned by the Shared Services Fund shall be credited to the Shared Services Fund.

(2) All moneys in the Shared Services Fund are continuously appropriated to the Oregon Department of Administrative Services, for the purpose of making distributions described in subsection (3) of this section.

(3) The department shall annually distribute to taxing districts the moneys from the Shared Services Fund:

(a) In proportion to the amount of money transferred into the fund for each eligible project that received a property tax exemption under ORS 307.123; and

(b) Consistent with the distribution of the community services fee under ORS 285C.609 for that project.

(4) The department shall furnish the Oregon Economic and Community Development Commission with information on the recipients of the distributions and the amounts distributed under this section, as requested by the commission.

SECTION 5. The Oregon Economic and Community Development Commission shall submit a report on the amount of moneys transferred to the Shared Services Fund and the amount of moneys distributed under section 4 of this 2007 Act to the appropriate House and Senate committees relating to revenue on or before May 1, 2013.

SECTION 6. (1) Sections 2 and 3 of this 2007 Act apply to tax years beginning on or after January 1, 2009, and before January 1, 2019.

(2) Sections 2 and 3 of this 2007 Act apply only to income taxes generated as the result of an eligible project that first becomes exempt from property taxation under ORS 307.123 on or after January 1, 2008, and continue to apply only as long as the project remains exempt.

Passed by Senate May 25, 2007

Repassed by Senate June 22, 2007

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Secretary of Senate

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President of Senate

Passed by House June 20, 2007

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Speaker of House

Received by Governor:

.....M,....., 2007

Approved:

.....M,....., 2007

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Governor

Filed in Office of Secretary of State:

.....M,....., 2007

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Secretary of State